

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE**

**Call to Order:** By **CHAIRMAN DICK HAINES**, on January 9, 2001 at 8:00 A.M., in Room 317-C Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Dick Haines, Chairman (R)  
Sen. William Crismore, Vice Chairman (R)  
Rep. Christine Kaufmann (D)  
Sen. Linda Nelson (D)  
Sen. Bill Tash (R)  
Rep. Joe Tropila (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Gary Hamel, Legislative Branch  
Amber Sauer, Committee Secretary  
Doug Schmitz, OBPP  
Todd Younkin, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: Department of Livestock/DNRC,  
1/9/2001  
Executive Action: Department of Livestock

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#### **HEARING ON DEPARTMENT OF LIVESTOCK**

**Mr. Todd Younkin, Legislative Branch Division**, began the meeting by distributing information on fund balance issues for the Department of Livestock. **Mr. Younkin** stated he and **Mr. Schmitz, OBPP**, discussed the issue and have a coordinated recommendation for the committee. In the Predator Control Program the actual

expenditures in fiscal 2000 totaled \$512,201 with \$110,000 coming from Inspection and Control funding and \$412,210 from the Livestock per Capita funding per the exhibit.

**EXHIBIT (jnh06a01)**

**Mr. Younkin** continued addressing the loss of \$110,000 from Fish, Wildlife, and Parks for the Predator Control Program. He stated as it is currently allocated, on paper the fund balances are adequate; however, in practicality, the Inspection and Control account is in danger of falling into negative status during the 2003 biennium. The overall issue is the negative fund balance in Inspection and Control and it is mainly a housekeeping issue.

Referring to the second page of the information, **Mr. Younkin** discussed possible solutions. The LFD, OBPP, and Department of Livestock (DOL) are all recommending the committee take no action and let the department and budget office monitor and react to fund balances reallocating funding as necessary.

**Mr. Schmitz** and **Mr. Harris** both clarified \$110,000 will not be received in the biennium from Fish, Wildlife, and Parks.

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**Motion/Vote:** SEN. TASH moved that **OPTION 1 TAKE NO ACTION BE ADOPTED**. Motion carried 5-1 with Tropila voting no.

**Mr. Younkin** stated there was a request from the committee to revisit DP 5 in Program 4, the Animal Health Division, Greater Yellowstone Interagency Brucellosis Committee. He stated the original proposal was approximately \$95,000 for the biennium; due to increased grant funding received by the DOL, the increase is now \$270,000 over the biennium for 100% federal funding.

**Mr. George Harris, Administrator, Central Services, Department of Livestock**, distributed information regarding these new figures.

**EXHIBIT (jnh06a02)**

**Mr. Harris** explained the old and new figures to the committee emphasizing the new grant only applies to Animal Health and does not change the grant figures for Central Services or the Diagnostic Lab. **Mr. Younkin** clarified the DOL is asking federal spending authority for the figures in Animal Health. The other figures were previously approved.

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**Motion:** SEN. NELSON moved that DP-5 WITH INCREASED SPENDING AUTHORITY TO REFLECT INCREASED AMOUNTS RECEIVED IN GRANTS FOR ANIMAL HEALTH DIVISION BE ADOPTED.

**Discussion:** Dr. Arnold Gertonson, Animal Health Division, spoke about the importance of this grant which allows Montana to work with other states. No FTE is requested specifically but a small portion of the funds are directed towards an existing FTE. The committee discussed the possibility of approving the funding as a one-time-only spending authority.

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**Motion/Vote:** SEN. NELSON moved to ACCEPT REVISED DECISION PACKAGE 5 IN THE ANIMAL HEALTH DIVISION WITH THE INCREASED FEDERAL AMOUNT RESTRICTED TO ONE-TIME-ONLY AND RESTRICTED TO BE REVIEWED AGAIN IN TWO YEARS BE ADOPTED AS AMENDED. Motion carried unanimously.

Mr. Schmitz, OBPP, presented a request to amend New Proposal DP-4 in Program 6, Inspection and Control Program, to eliminate the FTE from the proposal but to keep the funding the same. The intent is to approve in the interim the request for the FTE as modified in order for it not to carry over into the base for the next biennium. Mr. Harris stated the DOL supports the motion.

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**Motion/Vote:** SEN. NELSON moved that RESCIND HER PREVIOUS MOTION TO APPROVE NEW PROPOSAL 4 - RE-RECORD BRANDS IN THE INSPECTION AND CONTROL PROGRAM BE ADOPTED. Motion carried unanimously.

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**Motion/Vote:** SEN. NELSON moved that INSPECTION AND CONTROL DIVISION NEW PROPOSAL DP 4 RE-RECORD BRANDS WITH CURRENT PROPOSAL TO ELIMINATE 1.75 FTE AND ONE-TIME-ONLY RESTRICTED BE ADOPTED. Motion carried unanimously.

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The Department of Livestock Administrators thanked the committee for their time and efforts and reminded them they were available if they needed any help at any time. They still need to solve the per capita issue with every effort to protect the health of the livestock and serve the people of Montana.

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**HEARING ON DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION**

**CENTRALIZED SERVICES DIVISION**

**Ms. Ann Bauchman, Administrator, Centralized Services Division,** gave an overview of the agency per the following exhibit.

**EXHIBIT (jnh06a03)**

The Centralized Services Division of the Department of Natural Resources (DNRC) provides the following services: accounting, payroll, publications, computer technology, direction, purchasing, legal, public information, personnel, graphic design, financial management, data processing, reception, mail, records management, and citizen involvement. **Ms. Bauchman** stated this division works in tandem with all the other divisions. The division is comprised of five bureaus--Legal, Fiscal Bureau, Purchasing/Contracting Bureau, Personnel Bureau, and Information Technology Bureau. She stated the duties of each bureau. **Ms. Bauchman** presented the organizational chart with a breakdown of each Bureau.

She then discussed the budget requests. Last session Centralized Services asked for additional FTE for reclassification of positions and for a trainer. They have established a DNRC training program in the last six months. They are funded 87 percent from general fund, 8 percent from state special, and 5 percent federal indirect. **CHAIRMAN HAINES** asked if the agency had submitted a 15 percent reduction plan to the executive and **Ms. Bauchman** responded they had but she was not aware of the executive taking advantage of it. **CHAIRMAN HAINES** would like to see the proposal.

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**Mr. Gary Hamel, Legislative Fiscal Division,** continued with the presentation. He distributed information on the decision packages as reflected in the Martz Budget.

**EXHIBIT (jnh06a04)**

He went over the present law adjustments and the fact that DP 699 Vacancy Savings had been taken care of in the committee's opening action with the global motion. He stated he has no issues with DP 5-Operating Adjustment. **Ms. Bauchman** pointed out the rent amount which has increased since they are not on the Capitol campus and the increase in janitorial expenses. They have little control over those fixed cost.

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**Motion/Vote:** SEN. CRISMORE moved that DP-5 CSD OPERATING ADJUSTMENT BE ADOPTED. Motion carried unanimously.

The next decision package (DP) 3-Missoula Office Re-Wiring was discussed. This is for re-wiring 103 wall jacks at about \$250 per jack in the Missoula Forestry Complex.

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**Motion:** SEN. NELSON moved that DP-3 MISSOULA OFFICE RE-WIRING SPECIFYING FEDERAL SPECIAL ONE-TIME-ONLY RESTRICTED BE ADOPTED.

**Discussion:** REP. KAUFMANN asked for further clarification on using federal special funds and not general funds. Ms. Bauchman stated it is based on the projections of federal indirect. They are hoping the funds will come from some additional Forestry funds they are expecting. If the federal indirect funds do not become available, they could either look for other funds or not go forward with the project. Mr. Bud Clinch, Director, DNRC, stated it might be possible to use fire reimbursement funds. In the beginning, DNRC had proposed to use general funds but in the spirit of cooperation, they agreed to use federal indirect.

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**Motion/Vote:** SEN. NELSON moved that DP-3 MISSOULA OFFICE RE-WIRING SPECIFYING FEDERAL SPECIAL ONE-TIME-ONLY RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke to DP 12 - NRIS Core Service Support. NRIS is Montana's clearinghouse for natural resource information and provides a wide range of services to DNRC. He stated his concern with this issue is that overall funding for NRIS is being studied in another subcommittee. He recommended executive action on this DP be postponed until action has been taken in the other committee.

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Ms. Bauchman stated in a review of the NRIS, it was determined the DNRC had about 15 percent usage and should therefore be contributing in funding for the services. CHAIRMAN HAINES explained, for information purposes, that in the last session he found it very difficult to take executive action on DP's when another committee's decision would affect the budget.

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**Motion:** SEN. CRISMORE moved that DP-12 NRIS CORE SERVICE SUPPORT BE ADOPTED.

**Discussion:** SEN. NELSON asked about the language recommendation. The motion was amended to reflect the language as follows:

**Motion/Vote:** SEN. CRISMORE moved that DP-12 NRIS CORE SERVICE SUPPORT WITH THE LANGUAGE "ITEM 2 INCLUDES A TOTAL OF \$98,310 FOR THE 2003 BIENNIUM FOR THE MONTANA NATURAL RESOURCES INFORMATION SYSTEM. QUARTERLY PAYMENTS MUST BE MADE UPON RECEIPT OF THE BILLS FROM THE STATE LIBRARY UP TO THE TOTAL AMOUNT APPROPRIATED." BE ADOPTED AS AMENDED. Motion carried unanimously.

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**RESERVED WATER RIGHTS COMPACT COMMISSION**

Mr. Bud Clinch, Director, DNRC, stated the Reserve Water Rights Compact Commission is one of the two divisions that are administratively attached to the Department. Mr. Chris Tweeten, Chairman, Reserve Water Rights Compact Commission (RWRCC), gave a brief historical background of the Commission per the following exhibit.

**EXHIBIT (jnh06a05)**

He stated that in addition to water rights that exist at the state level, there are federal reserve water rights such as on the Indian Reservations. He noted the composition of the Commission and how they are appointed. CHAIRMAN HAINES asked about legislative involvement when compacts are negotiated and reached. Mr. Clinch stated agreements must be ratified by the Montana Legislature and the Tribal Councils and approved by the appropriate federal authorities.

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Ms. Susan Cottingham, Program Manager, Reserve Water Rights Compact Commission, gave an overview of the program per information distributed.

**EXHIBIT (jnh06a06)**

She covered the statutory mandate, staff and commission members, organizational chart, compacts negotiated and agencies involved,

maps of the compacts negotiated for the Indian Tribes and all the federal reserves in Montana, a map of the national parks compacts, a map of the Bureau of Land Management (BLM) compact, and a map of the national wildlife refuges. **Ms. Cottingham** demonstrated the amount of work necessary to establish water rights. There is currently a compact nearing completion with the Fort Belknap Indian Reservation. She expects it to be complete and ready for Legislative action soon. Water drainage systems involve other states and Canada which makes negotiations very difficult at times. **Ms. Cottingham** stated there are compacts still to be negotiated with the Indian Tribes, federal refuges, and national forests.

There was some discussion before the committee took executive action on the decision packages.

**Mr. Hamel** spoke to DP-7 RWRCC Per Diem and Operating. The per diem is for the commission members as they travel and are brought in for meetings.

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**Motion/Vote:** REP. TROPILA moved that DP-7 RWRCC PER DIEM AND OPERATING BE ADOPTED. Motion carried unanimously.

**Mr. Hamel** explained DP-12 Equipment Replacement which is to upgrade a Sun Unix Workstation to allow global information system data access. He recommended a one-time-only appropriation.

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**Motion/Vote:** SEN. NELSON moved that DP-12 EQUIPMENT REPLACEMENT ONE-TIME-ONLY BE ADOPTED. Motion carried unanimously.

**CHAIRMAN HAINES** closed the hearing on the Reserved Water Rights Compact Commission. He added he would like to review the 15 percent reduction proposal for the Department of Natural Resources and Conservation.

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**ADJOURNMENT**

Adjournment: 9:45 P.M.

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REP. DICK HAINES, Chairman

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SANDRA WHITAKER, Editing Secretary

DH/AS/SW

**EXHIBIT** (jnh06aad)